GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:70
ANSWERED ON:19.02.2009
AUCTION OF OIL GAS BLOCKS
Bhargav Shri Girdhari Lal;Singh Shri Uday

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has finalized plans to auction 100 more oil/gas exploration blocks among international bidders under the New Exploration Licensing Policy (NELP-VIII) scheme;

(b) if so, details thereof;

(c) whether the awarding of such blocks to companies will have any effect on the imports of oil and gas;

(d) if so, the details thereof;

(e) whether the Government also proposes to auction coal-bed-methane blocks to tap the gas reserves beneath the coal layers;

(f) if so, the details thereof;

(g) whether the terms under NELP-VIII allotment will entail the gas producer to allot a certain percentage of gas output to the public sector utilizes like thermal plants and fertilizer units;and

(h) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI MURLIDEORA)

(a) to (h): A Statement is laid on the table of the house.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (h) OF THE LOK SABHA STARRED QUESTION NO.70 BY `SHRI GIRDHARI LAL BHARGAVA AND SHRI UP AY SINGH TO BE ANSWERED ON 19,2.2009 REGARDING ` AUCTION OF OIL/ GAS BLOCKS.`

(a) to (h) The Government of India approved the New Exploration Licensing Policy (NELP) and Coal Bed Methane Policy (CBM) in 1997 and these became effective in 1999. Since then licenses for exploration of oil & gas and exploitation of CBM, Blocks are being awarded through international global competitive bidding system. Seven rounds of bidding under NELP and three rounds of bidding under CBM have so far been completed. The precise number of blocks and contractual terms proposed to be offered under the eighth round of New Exploration Licensing Policy (NELP-VI1I) and fourth round of CBM (CBM-IV) have not yet been finalized.

The exploration activities in the blocks to be offered under future rounds of NELP and CBM are likely to result in increased production of crude oil, natural gas and CBM, thereby enhancing the energy security of the country.